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DRAFT REPORT OF THE STANDING COMMITTEE FOR PROGRAMME MATTERS ON ITS IN-SESSIONAL MEETING HELD DURING THE THIRTY-NINTH SESSION OF THE GOVERNING COUNCIL, 4-29 MAY 1992

Rapporteur: Mr. Luis ESPADA-PLATET (United States)

Addendum

CHAPTER V. COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

C. Asia and the Pacific

Pacific Island Countries

1. The Assistant Administrator of the Regional Bureau for Asia and the Pacific (RBAP) introduced seven country programmes, for the Cook Islands, Kiribati, Nieu, Samoa, the Solomon Islands, Tokelau and Tuvalu, which together represented indicative planning figures (IPFs) of $15.7 million, with a carry-over from the fourth cycle of $1 million. He explained that the programmes, although presented together, had been separately developed by the respective Governments and Resident Representatives in the Pacific islands in order to reflect individual country circumstances and priorities.

2. He highlighted the difficulties faced by these island countries in terms of small size and population, geographical isolation, limited natural resources, vulnerability to natural disasters, and heavy dependence on external assistance.

3. He stressed the particular challenge faced by UNDP to make the best use of small IPFs through strategic interventions, which would be closely coordinated with the inputs of other donors. He noted the strong convergence of priority needs in human development identified by the seven Governments for UNDP intervention, namely: (a) support to disadvantaged groups, (b) income generation, employment and private sector development, (c) public sector administration, and (d) environmental and sustainable development.

4. He also highlighted the role of UNDP in facilitating aid coordination, particularly through the round-table process, and the need to ensure close linkages with regional development projects.

5. Six delegations expressed support for the country programmes presented for their consideration. One of them conveyed his delegation's satisfaction that the programmes were being presented as a group whereas another expressed some concern. Both shared the Assistant Administrator's view that each country was different and that the individual characteristics and special needs of each one should be taken into consideration. The themes of the programmes were supported, and the stronger focus was appreciated by three delegations. One delegation, however, cautioned that UNDP's intent to be flexible should not lead to the loss of this concentration during programme implementation. Particular emphasis was placed on the need for attention to the two themes of private sector development and the environment, as well as on coordination. One delegation indicated it had detailed comments on the seven programmes and would provide them to UNDP for consideration during programme implementation.

6. With respect to aid coordination, UNDP's commitment to the round-table process was appreciated by three delegations. It was urged that collaborative mechanisms with the World Bank and the Asian Development Bank should be strengthened. UNDP was requested to confirm as soon as possible the date of the next round-table meeting which should continue to be held in the region, and not in Geneva, and should provide help in the area of national strategic planning. One delegation considered that the round-table process had not been as successful as it might have been, and that greater emphasis should be placed on a priori critical economic and policy analysis to provide an appropriate framework for policy, programme and project formulation, rather than using round-table meetings essentially as pledging conferences. Another delegation noted how important the round-table process has been for Pacific island

countries, and proposed that all these countries should avail themselves of this facility, which has already led to improved policy dialogue and aid coordination for some Pacific countries.

7. The Administration in its response reiterated that each country is indeed treated individually in the light of its particular situation, hence the preparation of individual country programmes. The presentation in regional terms was for reasons of convenience, as well as to make for the retention of a regional perspective to facilitate linkages with the inter-country programme. The need to improve the focus and coordination of aid to Pacific island countries was acknowledged. The suggestions for further improvements in the round-table process were noted, and were already being addressed in collaboration with the Asian Development Bank in order to enhance the effectiveness of the process.

Cook Islands

8. The third country programme for the Cook Islands will have a net IPF of $987,000, $44,000 in cost-sharing and $145,000 from Special Programme Resources (SPR). These resources will be concentrated in three major areas, namely: (a) tourism development; (b) disadvantaged groups; and (c) management capacity-building.

9. At the outset of the discussion, the meeting was informed with regret that the Cook Islands had just experienced a devastating fire which had destroyed many of the Government's buildings and records at an estimated cost of NZ$7 million or the equivalent of 7 per cent of the gross national product (GNP). The delegation of a donor country noted that the cost of the damage represented the equivalent of half that donor's total Overseas Development Assistance to the country. Many delegations expressed their regrets about the fire and their hope that the Administrator would give consideration to the use of SPR resources if the Government of the Cook Islands so requested. It was noted by the Assistant Administrator that the serious fire would not alter the development themes in the country programme.

10. Four delegations supported the country programme. One delegation endorsed the special focus on tourism development, and increased attention to the development of the outer islands. The importance of aid coordination was stressed.

11. The Standing Committee recommended that the Governing Council approve the third country programme for the Cook Islands.

Kiribati

12. The third country programme for Kiribati will have a net IPF of $2.8 million and estimated cost-sharing of $40,000, as well as resources from the United Nations Capital Development Fund (UNCDF) of $0.5 million. These will be oriented towards the folllowing areas of concentration: (a) rural development; (b) industrial and private sector development and (c) development administration.

13. One delegation observed that projects proposed in fisheries and tourism development might face difficulties owing to constraints in the small, scattered islands, and anothr delegation added a word of caution about the prospects for identifying sufficient local employment opportunities for skilled people.

14. One delegation observed that the information provided in the UNDP development cooperation report for Kiribati was consistently unreliable, particularly with regard to his own country, where it was underestimated.

15. These deficiencies were regretted by the Administration, but the point was made that the data provided could only be as good as those provided by donors. He therefore urged them to ensure that full and up-to-date information was given so that it could be correctly reflected in the DCR.

16. The Standing Committee recommended that the Governing Council approve the third country programme for Kiribati.

Niue

17. The fourth country programme for Niue will have a net IPF of $735,000, and an estimated $100,000 from the SPR for disaster rehabilitation. IPF resources will be oriented towards three main areas of concentration: (a) promotion of private sector development, (b) health services and (c) management development.

18. One delegation questioned whether the country programme had been fully discussed and cleared with the Government. While the importance of private sector development was acknowledged, the question was raised whether the Government had agreed to the high proportion (50 per cent) of the IPF that was being earmarked for that purpose, for which the country represented by that delegation already provided considerable assistance to Niue in the area of credit.

19. In reply, it was confirmed that the country programme had been prepared in consultation with the Government, which had approved the proposed

earmarkings for private sector development. As indicated in the country programme (paras. 15 and 17), UNDP cooperation will complement the support provided to the business sector by the Niuean Government and the country of the delegation in question.

20. The Standing Committee recommended that the Governing Council approve the fourth country programme for Niue.

Samoa

21. The fifth country programme for Samoa will have a net IPF of $5.1 million, with estimated cost-sharing of $52,000 and $300,000 from the SPR for disaster reconstruction after the recent cyclones and a disaster preparedness and mitigation programme. The most recent round-table meeting, in 1991, had contributed to the identification of needs and UNDP's role.

22. The IPF and cost-sharing resources will be oriented towards the following areas of concentration: (a) revitalization of the primary sector and employment cration, (b) management improvements in the public sector, and (c) health and education sector support. It was noted that the first of these includes programme activities related to agriculture and rural development which have a bearing on the needs arising from both the prior major cyclone and cyclone December 1991, even though the latter occurred after the country programme had been conceived and formulated.

23. The Standing Committee recommended that the Governing Council approve the fifth country programme for Samoa.

Solomon Islands

24. The fifth country programme for the Solomon Islands will have a net IPF of $4.0 million, which has been earmarked for the following areas of concentration: (a) entrepreneurial training and development, (b) health improvement for disadvantaged groups, (c) forestry resource management and (d) strengthening of development management capacity.

25. One delegation said that the fifth country programme was a considerable improvement on the fourth, because it was more focused. Another delegation expressed concern as to whether the impact of the proposed assistance would be sustainable, especially in the forestry and water sectors, given the considerable difficulties experienced in the fourth cycle in assigning, training and retaining counterparts. Policy and coordination in the important forestry sector should be given special attention.

26. The Standing Committee recommended that the Governing Council approve the fifth country programme for the Solomon Islands.

Tokelau

27. The third country programme for Tokelau will have a net IPF of $1.3 million, together with $0.3 million from SPR for the reconstruction of seawalls to guard against cyclone damage. The IMP resources would be oriented towards one main area of concentration, namely the development of telecommunications, with projects outside this area relating to management capacity-building for public administration and water supplies.

28. One delegation supported these priorities, particularly for telecommunications, but also drew attention to the need for better sea links and particularly for an ongoing commitment to cover the recurring costs of the inter-atoll vessel currently covered by his country. Close aid coordination with UNDP should be continued.

29. The Standing Committee recommended that the Governing Council approve the third country programme for Tokelau.

Tuvalu

30. The third country programme for Tuvalu will have a net IPF of $1.8 million, which will be channelled towards three main areas of concentration: (a) education and vocational training, (b) outer island economic development, and (c) economic and financial management. The importance of the round-table process was cited as a key factor in determining the programme and facilitating aid coordination.

31. One delegation noted the dearth of good projects and the difficulties of identifying new ones that have a long-run potential for impact.

32. The Standing Committee recommended that the Governing Council approve the third country programme for Tuvalu.

Vanuatu

33. The Associate Administrator informed the Standing Committee of the Administrator's approval of the extension of the second country programme for Vanuatu for one year beginning 1 January 1992 (DP/CP/VAN/2/EXTENSION I).

34. The reason for the extension is the deferral of the formulation process for the third country programme while policy decisions are being taken by the new Government elected in late 1991, and strategies and plans are being finalized.

35. The extension will provide time for the formulation of the new country programme in 1992, and submission to the Governing Council at its fortieth session (June 1993). In the meantime, the focus of the extension phase of the programme will remain substantially unchanged, namely the implementation of programmes for human resources development, private sector development and employment creation.

36. The Standing Committee recommended that the Governing Council take note of the extension of the second country programme for Vanuatu.

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